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Doing the Right Thing: TIGTA, Integrity, and You

A Presentation by the Treasury Inspector General
for Tax Administration



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In this course you will learn:

TIGTA's role in the oversight of Tax Preparers.

How to report misconduct committed by IRS employees or paid preparers.

How to report allegations of potential risks to IRS employee safety.



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What is TIGTA ?

Provides independent oversight of the IRS.

Protects the integrity of Federal tax administration.

Has three primary operating divisions:

- Investigations
- Audit
- Inspections and Evaluations

Detects and prevents waste, fraud, and abuse.

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Integrity and Ethics

(According to Webster's Dictionary)

Ethics: A group of moral principles or set of values

Integrity: An uncompromising adherence to a code of moral, artistic or other values



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TIGTA's Role In Preparer Oversight

Circular 230, also known as Title 31 of the Code of Federal Regulations, Subtitle A, Part 10 sets forth rules under which tax preparers can represent clients before the IRS.

New regulations will bring all preparers under Circular 230.

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Preparer Misconduct

False statements on Forms 2848, Power of Attorney and Declaration of Representative.

Preparer fails to disclose that he or she is disbarred or otherwise unauthorized to appear before the IRS.



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Preparer Misconduct (cont.)

Sending emails or fabricating documents purporting to be from the IRS.



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Fraudulent (Questioned) (Q)

Form 668-D (Rev. December 2001)	Department of the Treasury - Internal Revenue Service
Release of Levy/Release of Property from Levy	
To	Taxpayer(s)
Identifying Number(s)	

A notice of levy was served on you and demand was made for the surrender of:

- all property, rights to property, money, credits and bank deposits of the taxpayer(s) named above, except as provided in 6332(c) of the Internal Revenue Code--"Special Rule For Banks." See Page 2 regarding this exception.
- wages, salary and other income, now owed to or becoming payable to the taxpayer(s) named above.

The box checked below applies to the levy we served on you.

Release of Levy

- Under the provisions of Internal Revenue Code section 6343, all property, rights to property, money, credits, and bank deposits of the taxpayer(s) named above are released from the levy.
- Under the provisions of Internal Revenue Code section 6343, all wages, salary and other income now owed to or becoming payable to the taxpayer(s) named above are released from the levy.

Release of Property from Levy

- Under the provisions of Internal Revenue Code section 6343, all property, rights to property, money, credits, and bank deposits greater than less than are released from the levy. The levy now affects _____.
- The last payment we received from you was dated _____. The amount the taxpayer still owes is _____. When this amount is paid to the Internal Revenue Service, the levy is released. If you sent us a payment after the last payment date shown, subtract that from the amount you send now.
- Under the provisions of Internal Revenue Code section 6343, all wages, salary and other income greater than less than each taxpayer(s) named above are released from the levy.

Dated at TOLEDO, OH. May 20, 2008
(Place) (Date)

Signature	Telephone Number	Title
JAMES S. BOCKEY <i>James S. Bockey</i>	(419)213-5189	REVENUE OFFICER

Part 1 - To Addressee

Form 668-D (DO/CG) (Rev. 12-2001)

Authentic (Known) (K)

Form 668-D (Rev. December 2001)	Department of the Treasury - Internal Revenue Service
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- wages, salary and other income, now owed to or becoming payable to the taxpayer(s) named above.

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Release of Property from Levy

- Under the provisions of Internal Revenue Code section 6343, all property, rights to property, money, credits, and bank deposits greater than less than are released from the levy. The levy now affects _____.
- The last payment we received from you was dated _____. The amount the taxpayer still owes is _____. When this amount is paid to the Internal Revenue Service, the levy is released. If you sent us a payment after the last payment date shown, subtract that from the amount you send now.
- Under the provisions of Internal Revenue Code section 6343, all wages, salary and other income greater than less than each taxpayer(s) named above are released from the levy.

Dated at TOLEDO, OH. May 17, 2007
(Place) (Date)

Signature	Telephone Number	Title
JAMES S. BOCKEY <i>James S. Bockey</i>	(419)213-5189	REVENUE OFFICER

Part 1 - To Addressee

Form 668-D (DO/CG) (Rev. 12-2001)

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Preparer Misconduct (cont.)



Fraud Application

Your Progress:

1. Tax Notice Received on e-mail ✓

2. Tax Statement

Taxpayer ID: 00000143073750US

Tax Type: INCOME TAX

Issue: Unreported/Underreported Income (Fraud Application)

Filing and paying your federal taxes correctly and on time is an important part of living and working in the United States.

Please review (download and execute) your tax statement:

[tax-statement.exe](#)

If the statement is incorrect, contact our Taxpayer Advocate Service.

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Preparer Misconduct (cont.)

Misuse of the IRS's or the Department of the Treasury's Seal



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Spam email

From: Internal Revenue Service [mailto:security@IRS.gov]
Sent: Friday, August 24, 2007 5:23 AM
Subject: IRS Survey : \$80.00 to your account - Just for your time!
Importance: High

Congratulations!

Dear Customer,

You've been selected to take part in our quick and easy 8 questions survey
In return we will credit \$80.00 to your account - Just for your time!

Please spare two minutes of your time and take part in our online survey
so we can improve our services.
Don't miss this chance to change something.

To continue click on the link below:

<http://www.irs.gov/login.asp=survey>

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DPIIKGTBTSSGSEVFIDPKREBINPMXIHZIXLFBLP

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Link on Spam email



The screenshot shows the IRS Member Satisfaction Survey form. At the top left is the IRS logo and the text "Internal Revenue Service IRS.gov" and "DEPARTMENT OF THE TREASURY". The survey title "Member Satisfaction Survey" is in a dark bar. The main text says "Thank you for taking the time to respond to this survey. In return we will credit \$80 to your account - Just for your time." Below this is the "Account Information" section, which includes a heading "Account Information" and a sub-heading "Account to credit your \$80 reward." The form fields are: "Name On Card:" with a text input box; "Card Number:" with a text input box; "Expiration Date:" with two dropdown menus; and "Electronic Signature:" with a text input box. Below the fields is a bold notice: "Your account will be credited within the next 3 business days. It will appear as 'IRS' on your account history. After card verification you will be redirected to the mainpage." To the right of this notice is a red asterisk: "* Limited to 1 survey per card." At the bottom center is a "Submit" button. At the very bottom of the page is a small link: "IRS Privacy and Security Policy".

Internal Revenue Service **IRS.gov**
DEPARTMENT OF THE TREASURY

Member Satisfaction Survey

Thank you for taking the time to respond to this survey.
In return we will credit \$80 to your account - Just for your time.

Account Information
Account to credit your \$80 reward.

Name On Card:

Card Number:

Expiration Date: -- ▾ -- ▾

Electronic Signature:

**Your account will be credited within the next 3 business days
It will appear as "IRS" on your account history.
After card verification you will be redirected to the mainpage.**

* Limited to 1 survey per card.

[IRS Privacy and Security Policy](#)

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Preparer Misconduct (cont.)

Unauthorized Disclosure of protected tax information.



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Recent Cases Involving Preparers

Florida Tax Preparer Sentenced to Six Months of Imprisonment for Making a False Statement to the IRS



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Recent Cases Involving Preparers (continued)



*Md. Man Gets
17 Years In Prison
In Tax Scheme*



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Recent Cases Involving Preparers (continued)

Charles Radosevich:



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What is Your Role in Protecting Federal Tax Administration?

First line of defense against fraud and corruption

Report instances of tax preparer or IRS employee misconduct

Report allegations of potential risks to IRS employee safety



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Tax Practitioner Investigations

Agency	TIGTA	IRS CI	IRS OPR
Responsible for Investigating:	Practitioner and IRS Employee Misconduct	Tax Fraud Violations	Tax Fraud Violations
Types of Cases Investigated:	<ul style="list-style-type: none"> • Impersonation • Disclosure • Overstatement of Qualifications • Misconduct by IRS employees 	<ul style="list-style-type: none"> • Refund schemes • Bogus Tax Returns 	<ul style="list-style-type: none"> • Tax avoidance schemes • Abusive conduct • Criminal conviction • Non-compliance
Contact Information:	www.tigta.gov 1-800-366-4484	www.irs.gov 1-800-829-0433	opr@irs.gov

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TIGTA Audits of Interest to Preparers

Implementation of law requiring preparers to *e*-file returns – October 2011

The IRS's implementation of new preparer oversight - Ongoing
Erroneous tax credits - Ongoing



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How to Contact TIGTA

Visit us: TIGTA Tax Forum Locations:

- Investigations booth in Exhibit Hall
- Audit/Inspections and Evaluations Table
- Email us: complaints@tigta.treas.gov
- Call us: 1-800-366-4484
 - 24 hours a day, seven days a week



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Thank You!

For a copy of these slides, please e-mail
us at:

TIGTACommunications@tigta.treas.gov

